

SECOND REGULAR SESSION

# SENATE BILL NO. 836

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR MUELLER.

Read 1st time January 17, 2000, and 1,000 copies ordered printed.

3799S.011

TERRY L. SPIELER, Secretary.

## AN ACT

To repeal section 355.661, RSMo 1994, relating to not-for-profit corporations, and to enact in lieu thereof one new section relating to the same subject.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 355.661, RSMo 1994, is repealed and one new section enacted in lieu thereof, to be known as section 355.661, to read as follows:

355.661. 1. Except as authorized by [subsection 2 of this section and subsection 3] **subsections 2, 3 and 4** of this section, a corporation shall not make any distributions.

2. A mutual benefit corporation may purchase its memberships if after the purchase is completed:

(1) The corporation would be able to pay its debts as they become due in the usual course of its activities; and

(2) The corporation's total assets would at least equal the sum of its total liabilities.

3. Corporations may make distributions upon dissolution in conformity with sections 355.666 to 355.746.

**4. Business entities established for the purpose of providing insurance pursuant to sections 537.620 and 537.635, RSMo, may make distributions in conformity with those sections.**

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**EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**